(d) if so, steps taken to bring the remaining States to adopt VAT?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) At present, there is no proposal to cut the rate of the Central Sales Tax during the current fiscal year.

(b) As per information furnished by the State Governments for the months of April and May, 2005, some States have registered revenue gain, while some States have incurred revenue loss, in absolute terms, as compared to corresponding period of the last year.

(c) The State Government of Bihar, Tripura and Maharashtra have made claims for compensation of revenue losses.

(d) As VAT is a State subject, any steps in this regard are to be taken by the Empowered Committee of the State Finance Ministers. The Central Government will continue to play the role of a facilator.

Auction, of bad loans of banks

132. SHRI DATTAMEGHE: Will the Minister of FINANCE be pleased to state:

(a) whether the ICICI and State Bank of India have sold bad loans to the Asset Reconstruction Company of India Limited (ARCIL);

(b) if so, the details thereof and the discounted price at which the bad loans have been sold to ARCIL by ICICI, the State Bank of India and other banks, if any;

(c) whether ARCIL propose to auction these bad loans of Indian banks in the financial markets;

(d) whether the Reserve Bank of India has set any norms for banks keen on purchasing bad loans; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir, Both the Banks have sold some of their bad loans to ARCIL

(b) The details of transfer of loans by ICICI Bank Ltd., SBI and other banks are as under:—

SL No.	Bank/FI	No. of cases (Rs. in Cr.)	Principal Debt acquired
1.	ICICI Bank Ltd.	133	4,529
2.	State Bank of India	189	1,402
3.	Other Banks/FIs	158	2,013

The acquisition price varies from case to case and the average acquisition price to the principai debt acquired works out to 47 per cent.

(c) ARCIL will explore all reasonable and legal options to maximize recovery/reaiization including selling/assigning of these financial assets through auction or any other suitable modality. .,

(d) and (e) Yes, Sir. Reserve Bank of India have issued guidelines to be followed by bank purchasing selling non-performing financial assets from/ to other banks. These guidelines include:—

(i) Procedure for purchase/sale of non-performing financial assets.

(ii) Prudential norms which include assets classification norms, provisioning norms, accounting of recoveries, capital adequacy norms and exposure norms.

(iii) Disclosure requirements.

Action against defaulters of banks

133. SHRI DATTAMEGHE: Wiil the Minister of FINANCE be pleased to state:

(a) whether the All India Bank Employees Association (AIBEA) has made public the names of defaulters who had taken big loans from banks but are not paying it;

(b) if so, the details thereof, State-wise;

(c) the measures Government have taken or propose to take for recovery of banks duos from them or to take legal action in this regard; and

(d) if not, the reasons therefor?